APPENDIX

Bankruptcy Act of 1898, c. 541, 30 Stat. 544, as amended:

SEC. 64. DEBTS WHICH HAVE PRIORITY.—a. The debts to have priority, in advance of the payment of dividends to creditors, and to be paid in full out of bankrupt estates, and the order of payment, shall be (1) the actual and necessary costs and expenses of preserving the estate subsequent to filing the petition; the filing fees paid by creditors in involuntary cases; where property of the bankrupt, transferred or concealed by him either before or after the filing of the petition, shall have been recovered for the benefit of the estate of the bankrupt by the efforts and at the cost and expense of one or more creditors, the reasonable costs and expenses of such recovery; the costs and expenses of administration, including the trustee's expenses in opposing the bankrupt's discharge, the fees and mileage payable to witnesses as now or hereafter provided by the laws of the United States, and one reasonable attorney's fee, for the professional services actually rendered, irrespective of the number of attorneys employed, to the petitioning creditors in involuntary cases and to the bankrupt in voluntary and involuntary cases, as the court may allow; (2) wages, not to exceed $600 to each claimant, which have been earned within three months before the date of the commencement of the proceeding, due to workmen, servants, clerks, or traveling or city salesmen on salary or com-

mission basis, whole or part time, whether or not selling exclusively for the bankrupt; (3) where the confirmation of an arrangement or wage-earner plan or the bankrupt's discharge has been refused, revoked, or set aside upon the objection and through the efforts and at the cost and expense of one or more creditors, or, where through the efforts and at the cost and expense of one or more creditors, evidence shall have been adduced resulting in the conviction of any person of an offense under this Act, the reasonable costs and expenses of such creditors in obtaining such refusal, revocation, or setting aside, or in adducing such evidence; (4) taxes legally due and owing by the bankrupt to the United States or any State or any subdivision thereof; * * *.

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(U. S. C., Title 11, Sec. 104.)

CHAPTER X—CORPORATE REORGANIZATION

ARTICLE I—CONSTRUCTION

SEC. 101.[1] The provisions of this chapter shall apply exclusively to proceedings under this chapter.

(U. S. C., Supp. V, Title 11, Sec. 501.)

SEC. 102.[1] The provisions of chapters I to VII, inclusive, of this Act shall, insofar as they are not inconsistent or in conflict with the provisions of this chapter, apply in proceedings under this chapter: *Provided, however,* That section 23, subdivisions h and n of section 57, section 64, and subdivision f of section 70, shall not apply in such pro-

[1] This Section, while appearing as an amendment to the Bankruptcy Act of 1898, *supra*, was added by the Bankruptcy Act of 1938, c. 575, 52 Stat. 840.

ceedings unless an order shall be entered directing that bankruptcy be proceeded with pursuant to the provisions of chapters I to VII, inclusive. For the purposes of such application, provisions relating to "bankrupts" shall be deemed to relate also to "debtors," and "bankruptcy proceedings" or "proceedings in bankruptcy" shall be deemed to include proceedings under this chapter. For the purposes of such application the date of the filing of the petition in bankruptcy shall be taken to be the date of the filing of an original petition under section 128 of this Act, and the date of adjudication shall be taken to be the date of approval of a petition filed under section 127 or 128 of this Act except where an adjudication had previously been entered.

(U. S. C., Supp. V, Title 11, Sec. 502.)

ARTICLE II—DEFINITIONS

SEC. 106.[1] For the purposes of this chapter, unless inconsistent with the context—

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(9) "petition" shall mean a petition filed under this chapter by a debtor, creditors, or indenture trustee proposing that a plan of reorganization be effected;

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(U. S. C., Supp. V, Title 11, Sec. 506.)

ARTICLE III—JURISDICTION AND POWERS OF COURT

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SEC. 114.[1] Upon the approval of a petition, the jurisdiction, powers, and duties

[1] This section, while appearing as an amendment to the Bankruptcy Act of 1898, *supra*, was added by the Bankruptcy Act of 1938, c. 575, 52 Stat. 849.

of the court and of its officers, where not inconsistent with the provisions of this chapter, shall be the same as in a bankruptcy proceeding upon adjudication.

(U. S. C., Supp. V, Title 11, Sec. 514.)

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ARTICLE IV—PETITION

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SEC. 127.[1] A petition may be filed in a pending bankruptcy proceeding either before or after the adjudication of a corporation.

(U. S. C., Supp. V, Title 11, Sec. 527.)

SEC. 128.[1] If no bankruptcy proceeding is pending, an original petition may be filed with the court in whose territorial jurisdiction the corporation has had its principal place of business or its principal assets for the preceding six months or for a longer portion of the preceding six months than in any other jurisdiction.

(U. S. C., Supp. V, Title 11, Sec. 528.)

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ARTICLE XII—DISMISSALS AND ADJUDICATIONS

SEC. 236.[1] If no plan is proposed within the time fixed or extended by the judge, or if no plan proposed is approved by the judge and no further time is granted for the proposal of a plan, or if no plan approved by the judge is accepted within the time fixed or extended by the judge, or if confirmation of the plan is refused, or if a confirmed plan is not consummated, the judge shall—(1)

[1] This section, while appearing as an amendment to the Bankruptcy Act of 1898, *supra*, was added by the Bankruptcy Act of 1938, c. 575, 52 Stat. 840.

where the petition was filed under section 127 of this Act, enter an order dismissing the proceeding under this chapter and directing that the bankruptcy be proceeded with pursuant to the provisions of this Act; or (2) where the petition was filed under section 128 of this Act, after hearing upon notice to the debtor, stockholders, creditors, indenture trustees, and such other persons as the judge may designate, enter an order either adjudging the debtor a bankrupt and directing that bankruptcy be proceeded with pursuant to the provisions of this Act, or dismissing the proceeding under this chapter, as in the opinion of the judge may be in the interests of the creditors and stockholders.

(U. S. C., Supp. V, Title 11, Sec. 636.)

* * * * *

SEC. 238.[1] Upon the entry of an order directing that bankruptcy be proceeded with—

(1) where the petition was filed under section 127 of this Act, the bankruptcy proceeding shall be deemed reinstated and shall thereafter be conducted, so far as possible, as if the petition under this chapter had not been filed; or where the petition was filed under section 128 of this Act, the proceeding shall thereafter be conducted so far as possible, in the same manner and with like effect as if an involuntary petition for adjudication had been filed at the time when the petition under this chapter was filed, and a decree of adjudication had been entered at the time when the petition under this chapter was approved;

[1] This section, while appearing as an amendment to the Bankruptcy Act of 1898, *supra*, was added by the Bankruptcy Act of 1938, c. 575, 52 Stat. 840.

(2) a trustee shall be appointed pursuant to section 44 of this Act and shall supersede any trustee previously appointed; and

(3) only such claims as are provable under section 63 of this Act shall be allowed, and claims not already filed may be filed prior to the expiration of three months after the first date set for the first meeting of creditors as provided in section 55 of this Act, or, if such date has been previously set, then prior to the expiration of three months after the mailing of notices to creditors of the entry of the order directing that bankruptcy be proceeded with.

(U. S. C., Supp. v, Title 11, Sec. 638.)

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ARTICLE XIII—COMPENSATION AND ALLOWANCES

SEC. 241.[1] The judge may allow reimbursement for proper costs and expenses incurred by the petitioning creditors and reasonable compensation for services rendered and reimbursement for proper costs and expenses incurred in a proceeding under this chapter—(1) by a referee; (2) by a special master; (3) by the trustee and other officers, and the attorneys for any of them; (4) by the attorney for the debtor; and (5) by the attorney for the petitioning creditors. Such compensation of referees and trustees shall not be governed by sections 40 and 48 of this Act.

(U. S. C., Supp. V, Title 11, Sec. 641.)

SEC. 242.[1] The judge may allow reasonable compensation for services rendered and reimbursement for proper costs and ex-

[1] This section, while appearing as an amendment to the Bankruptcy Act of 1898, *supra*, was added by the Bankruptcy Act of 1898, c. 575, 52 Stat. 840.

penses incurred in connection with the administration of an estate in a proceeding under this chapter or in connection with a plan approved by the judge, whether or not accepted by creditors and stockholders or finally confirmed by the judge—(1) by indenture trustees, depositaries, reorganization managers, and committees or representatives of creditors or stockholders; (2) by any other parties in interest except the Securities and Exchange Commission; and (3) by the attorneys or agents for any of the foregoing except the Securities and Exchange Commission.

(U. S. C., Supp. V, Title 11, Sec. 642.)

* * * * *

SEC. 243.[1] The judge may allow reasonable compensation for services rendered and reimbursement for proper costs and expenses incurred by creditors and stockholders, and the attorneys for any of them, in connection with the submission by them of suggestions for a plan or of proposals in the form of plans, or in connection with objections by them to the confirmation of a plan, or in connection with the administration of the estate. In fixing any such allowances, the judge shall give consideration only to the services which contributed to the plan confirmed or to the refusal of confirmation of a plan, or which were beneficial in the administration of the estate, and to the proper costs and expenses incidental thereto.

(U. S. C., Supp. V, Title 11, Sec. 643.)

SEC. 244.[1] Where a petition is filed under section 127 of this Act, the judge may allow, if not already allowed, reasonable compen-

[1] This section, while appearing as an amendment to the Bankruptcy Act of 1898, *supra*, was added by the Bankruptcy Act of 1938, c. 575, 52 Stat. 840.

sation for services rendered and reimbursement for proper costs and expenses incurred in the pending bankruptcy proceeding—(1) by a marshal, receiver, or trustee, as provided in subdivision g of section 48 of this Act, and the attorneys for any of them; (2) by the attorney for the petitioning creditors; (3) by the attorney for the bankrupt; and (4) by any other persons and the attorneys for any of them entitled under this Act to compensation or reimbursement in such bankruptcy proceeding.

(U. S. C., Supp. V, Title 11, Sec. 644.)

SEC. 245.[1] Where a petition is filed in a pending bankruptcy proceeding, the judge may allow reasonable compensation for services rendered and the proper costs and expenses incurred in such bankruptcy proceeding by a referee in bankruptcy. In fixing such compensation, the judge shall not be restricted by the provisions of section 40 of this Act.

(U. S. C., Supp. V, Title 11, Sec. 645.)

SEC. 246.[1] Upon the dismissal of a proceeding under this chapter, or the entry of an order adjudging the debtor a bankrupt, the judge may allow reasonable compensation for services rendered and reimbursement for proper costs and expenses incurred in such proceeding prior to such dismissal or order of adjudication by any persons entitled thereto, as provided in this chapter, and shall make provision for the payment thereof, and for the payment of all proper costs and expenses incurred by officers in such proceedings.

(U. S. C., Supp. V, Title 11, Sec. 646.)

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[1] This section while appearing as an amendment to the Bankruptcy Act of 1898, *supra*, was added by the Bankruptcy Act of 1938, c. 575, 52 Stat. 840.

U. S. GOVERNMENT PRINTING OFFICE: 1941